

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF PUERTO RICO**

**IN RE:**

**JUAN CARLOS BALCELLS GALLARETA**  
Debtor

**NOREEN WISCOVITCH RENTAS**  
TRUSTEE FOR THE ESTATE OF JUAN BALCELLS  
GALLARETA  
Plaintiff

v.

**AMARILIS GONZÁLEZ GARCÍA**  
Defendant

**CASE NO. 11-06637 MCF**

**CHAPTER 7**

**Adv. No. 14-00137**

**MOTION IN COMPLIANCE WITH ORDER**

TO THE HONORABLE COURT:

COMES NOW, NOREEN WISCOVITCH-RENTAS, Debtor's Chapter 7 Trustee, represented by the undersigned attorney and to this Honorable Court very respectfully states and prays as follows:

1. On October 7<sup>th</sup>, 2021, this Honorable Court entered and order instructing Plaintiff to file a recent appraisal with the Court.
  
2. A copy of the appraisal is attached as Exhibit 1.

**WHEREFORE**, it is hereby respectfully requested that this Honorable Court take note of the about and finds Trustees to be in compliance with order.

**CERTIFICATE OF ELECTRONIC FILING AND SERVICE:** I hereby certify that on this same date a copy of this motion has been electronically filed with the Clerk of the Court using the CM/ECF system which will send notifications of such filing

to **Monsita Lecaroz Arribas, Esq.**, Us Trustee's Office, to 500 Tanca St., Ochoa Building, Suite 301, San Juan, P.R., and parties in interest.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, on October 12<sup>th</sup>, 2021.

By: *s/ Rafael A. Gonzalez Valiente*  
USDC NO. 225209

Counsel for the Bankruptcy Estate  
Godreau & Gonzalez Law, LLC  
PO Box 9024176  
San Juan, PR 00902-4176  
Telephone: 787-726-0077  
*rgv@g-glawpr.com*

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*Pedro C. Navarro Acevedo, MAI*

*Certified General Real Estate Appraiser*

*Real Estate Appraisal and Consulting Solutions*



## **RESTRICTED APPRAISAL REPORT**

RESIDENTIAL PROPERTY (CADASTRAL PIN NO. 113-040-809-86-000)  
381 VIA VERSALLES ST.,  
VILLAS DE REALES DEV.,  
GUAYNABO, PUERTO RICO

### **PREPARED**

For: Ms. Noreen Wiscovitch Rentas  
PO Box 20438  
West Palm Beach, FL 33416

Duly Appointed Chapter 7 Trustee for the  
Estate of Juan Carlos Balcells Gallareta  
United States Bankruptcy Court for the District of P.R. (Docket 11-06637)

By: Pedro C. Navarro Acevedo, MAI  
Certified General Real Estate Appraiser

Effective Date of Appraisal: July 28, 2021

Date of Report: August 4, 2021



*Pedro C. Navarro Acevedo, MAI*

Certified General Real Estate Appraiser

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Real Estate Appraisal and Consulting Solutions

August 4, 2021

Ms. Noreen Wiscovitch Rentas  
PO Box 20438  
West Palm Beach, FL 33416

Re: **Residential Property (Cadastral Pin No. 113-040-809-86-000)**  
381 Via Versalles Street,  
Villas Reales Development,  
Guaynabo, Puerto Rico

Dear Ms. Wiscovitch,

In accordance with your request made through Mr. Rafael A. Gonzalez Valiente, Esq., I have prepared an appraisal of the above-referenced subject property which is a single-family residence within a 24hrs-guard gated community in the Municipality of Guaynabo, Puerto Rico.

This appraisal report was developed based on the information submitted by Mr. Gonzalez Valiente, Esq. as the property could not be physically inspected. Based on the information provided, the property is a 2-story, 4-bedroom and 2.5-bathroom residence of reinforced concrete and cement construction with approximately 2,012 square feet of gross living area supported by a 40 square foot porch, a 431 square foot double carport and a 448 square feet concrete terrace.

The type of value reported in this appraisal is *Market Value*, as defined in this appraisal report. The purpose of this appraisal is to develop my opinion of the market value of the fee simple interest in the real estate as of a current date. The intended use of the appraisal would be to assist you, as the identified client, in decision-making processes concerning the Estate of Juan Carlos Balcells Gallareta and the United States Bankruptcy Court for the District of P.R. (Docket 11-06637). The intended user(s) of the appraisal would be yourself, Mr. Rafael A. Gonzalez Valiente, Esq., and the United States Bankruptcy Court for the District of Puerto Rico.

Based on the analyses developed, the market value opinion of the subject property is concluded to be:

<b>◆ Market Value – Fee Simple Interest</b>	<b>\$ 246,000</b>
As of July 28, 2021	Two Hundred Forty Six Thousand Dollars

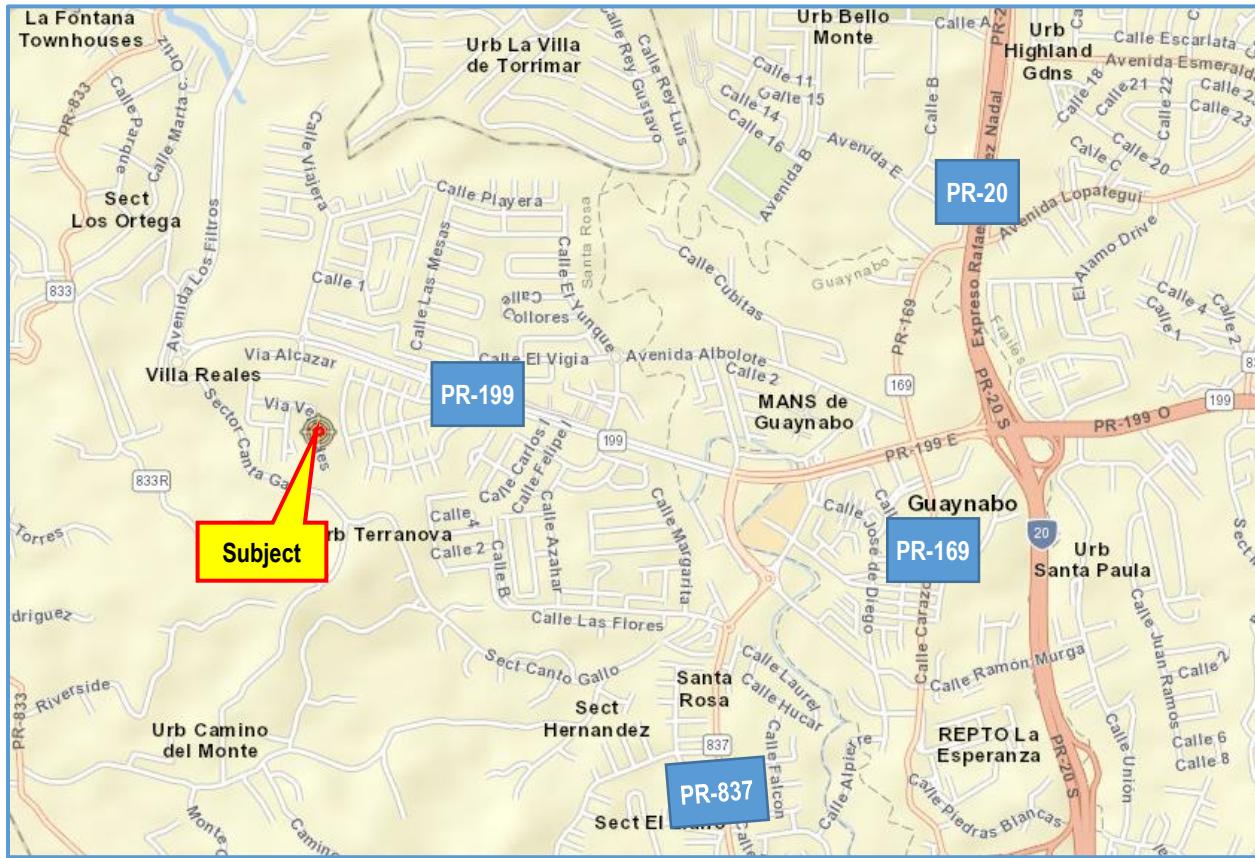
The analyses and conclusions developed in this appraisal are based on market conditions existing as of July 28, 2021 which is the effective date of value. No responsibility is assumed for unforeseen changes in the market conditions specified. In addition, this appraisal is based on the assumptions, limiting conditions, definitions and certifications presented in this report of which this letter of transmittal forms an integral and inseparable part.

Possession of this appraisal report, or a copy thereof, does not carry with it the right of publication. I accept no responsibility for the use of this appraisal by any person or entity other than the client and identified intended users, or for any other use than that stated herein.

  
Pedro C. Navarro Acevedo, MAI  
Certified General Real Estate Appraiser  
Certificate No. 270 CG  
PR License No. 1151 EPA



Provided by Mr. Rafael A. Gonzalez Valiente, Esq. for the purpose of identifying the subject property.



## Statement of Appraisal Problem

<b>Client</b>	Ms. Noreen Wiscovitch Rentas
<b>Property Rights Appraised</b>	Fee Simple Estate
<b>Effective Date of Appraisal</b>	July 28, 2021
<b>Date of Report</b>	August 4, 2021
<b>Type of Value Reported</b>	Market Value as defined in this appraisal report.
<b>Intended Use</b>	To assist the client in decision-making processes concerning the Estate of Juan Carlos Balcells Gallareta and the United States Bankruptcy Court for the District of P.R. (Docket 11-06637).
<b>Intended User of Appraisal</b>	The client, Mr. Rafael A. Gonzalez Valiente, Esq., and the United States Bankruptcy Court for the District of Puerto Rico.
<b>Location</b>	381 Via Versalles Street, Villas Reales Development, Guaynabo, Puerto Rico (Coordinates: Latitude: 18.36193°, Longitude -66.1282°).
<b>Subject of the Appraisal</b>	Single-family residence
<b>Key Valuation Issues</b>	The subject property could not be physically inspected as it is located within a 24hrs-guard gated development and no access was granted to the appraiser during the course of this assignment. This appraisal was developed based on the information submitted by Mr. Rafael A. Gonzalez Valiente, Esq. which included a previous appraisal of the subject property prepared by Francisco J. Otero Valentín (License 1302EPA) as of November 20, 2018. No further information regarding the property subject of this appraisal was submitted to the appraiser.
<b>Extraordinary Assumption</b>	That the physical attributes of the subject property be as defined in this appraisal based on the information submitted for my examination. If this extraordinary assumption is found to be false or incorrect, the analysis and conclusions reported herein could result null and void.
<b>Report Format</b>	Restricted Appraisal Report. This report format is limited to the client and intended user alone and may not be shared with any other third party, as the report do not include supporting rationale for all the opinions and conclusions set forth in the report. All supporting data for the development of the appraisal is held in the appraisal work file to which the client may have access in coordination with the appraiser.

### Scope of Work

The property and the neighborhood were inspected to establish the characteristics of the subject (i.e. physical, location, regulatory and economic) and general market trends. The subject is an urban site within an R-3 zoning in the municipality of Guaynabo under residential occupancy. The market research showed that these properties are generally profiled for owner occupancy as the most probable buyers are commonly owner/occupant.

In the case at hand, the sales comparison was concluded the best approach to value and solve the appraisal problem given typical market motivations and the available market data.

This appraisal is developed based on market conditions existing as of July 28, 2021, and no responsibility is assumed for unforeseen changes in this specified market conditions. Furthermore, the appraisal is made subject to the assumptions, limiting conditions, definitions and certifications presented in this report. Finally, I, the appraiser, certify to have the

competency to carry out this assignment gained from the knowledge and experience acquired through my appraisal practice over the past 23 years; as well as by having the relevant education and professional credentials to do so.

## Productivity Analysis

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### Neighborhood

The subject is located in Villas Reales, a 24hrs-gated development in the municipality of Guaynabo, within a 1-mile radius from its town core at the main roadway into the neighborhood through PR-199. The neighborhood is mostly of suburban character.

The urban path of growth in the municipality is generally projected along the section of PR-199 between its intersection with PR-20 and PR-837 where the subject is located, as well as along PR-177 to the north of the municipality traditional urban area. The following exhibit presents a location map of the immediate neighborhood.

The market research produced a universe of sales transactions of single-family residences during the past 24 months with prices ranging from \$170,000 to \$645,000, but with the majority clustering between \$200,000 and \$375,000. The most recent transactions reflect slightly higher values as well as a greater number of transactions which suggest improving market conditions.

### Subject

The subject is a 375.42 square meter in the Villas Reales Development within an R-3 zoning limits with an Urban Soil land classification according to the data obtained through the website of the Puerto Rico Planning Board. The subject is identified to be within a low-risk (Zone X) flood prone area as per FEMA flood insurance map No. 72000C-0710H. The site has a level topography with basically a rectangular shape.

No exterior nor interior inspection of the property could be performed in this case. Based on the information submitted, the subject is improved with a 2-story, 4-bedroom and 2.5-bathroom residence of reinforced concrete and cement construction with approximately 2,012 square feet of gross living area supported by a 40 square foot porch, a 431 square foot double carport, and a 448 square foot concrete terrace; plus, a perimeter fence of concrete construction.

According to the information provided, the property was in below average condition (rated poor in my opinion) lacking adequate maintenance and reflecting considerable disrepairs as of November 2018. The condition of the property could not be confirmed; therefore, it is assumed that this remains in either in a similar or advance below average condition reflecting ongoing wear and tear from a lack of necessary repairs and adequate maintenance. Please refer to the extraordinary assumption presented on page 4 under the *Statement of Appraisal Problem* section of this report.

## History of the Property

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No information was provided as to the subject ownership. According to the information obtained through the webpage of the CRIM, it appears the subject has remained under the present ownership for over the 3-year period immediately preceding the effective date of this appraisal. Based on the intended use and users of this appraisal, the property is currently part of legal processes pertaining to the Estate of Juan Carlos Balcells Gallareta and the United States Bankruptcy Court for the District of P.R. (Docket 11-06637).

No information was obtained by nor provided to the appraiser indicating the subject is presently for sale or under any type of such negotiations.



## **Highest and Best Use Analysis**

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The subject is within a residential community surrounded by residences at a gated development. The existing improvements conform to the parameters established by the regulatory agencies and, besides some needed repairs, fulfill the need for which they were originally built. In addition, these are financially feasible, as the value of the property is greater than the value of the underlying land plus demolition and site clearing costs. The improvements are presumed in below average condition reflecting advanced wear and tear; yet, the existing residence results in the maximally productive use of the property. Based on this, the concluded highest and best use of the subject is to repair and correct all necessary components of the property for it to remain under its present single-family residential use.

## **Sales Comparison Approach**

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The Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6<sup>th</sup> edition (Chicago: Appraisal Institute, 2015) defines sales comparison approach as “a comparative approach to value that considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the open market. Listings and offerings may also be considered.”

An alternative definition is also provided which states that this approach is “the process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison, and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.”

The market research preformed included investigation of files at the Property Registry of the Puerto Rico Justice Department, local MLS's, as well as other sources of comparable database. The research produced a reasonable amount of data from which the best market data available was selected to develop an opinion of the market value of the subject. This comparable dataset was utilized for the development of the sales comparison approach as presented on the following pages of this appraisal report. Refer to addenda for photos and location map of the comparable dataset.

RESIDENTIAL PROPERTY (CADASTRAL PIN No. 113-040-809-86-000)  
 #381 VIA VERSALLES ST VILLAS REALES DEVELOPMENT, GUAYNABO PUERTO RICO  
 APPRAISAL REPORT DATE – AUGUST 4, 2021

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Address	381 Via Versalles St, Villas Reales Dev., Guaynabo PR	306 Via Alcazar St, Villas Reales Dev., Guaynabo PR	435 Via Alcazar St, Villas Reales Dev., Guaynabo PR	446 Via Alcazar St, Villas Reales Dev., Guaynabo PR	324 Via Escorial St, Villas Reales Dev., Guaynabo PR	
Proximity						
To Subject	Same Development		Same Development		Same Development	
Sales Price		\$450,000		\$375,000		
Price/Gross					\$285,000	
Living Area		\$208.43		\$182.48		
				\$149.29	\$145.75	
Data and/or Verification Source	PRCSDS Public Records		PRCSDS Public Records		PRCSDS Public Records	
Value Adjustments	DESCRIPTION	DESCRIPTION	Adjustment	DESCRIPTION	Adjustment	
Sales or Financing Concessions		None		None		
Market Conditions	July 29, 2021	Mar-21		Sep-20	Feb-20	
Location	Suburban	Suburban		Suburban	Suburban	
Leasehold/fee simple	Fee Simple	Fee Simple		Fee Simple	Fee Simple	
Site (sq. mt.)	375.42	381.00	(\$1,400)	392.00	(\$4,100)	
Design (style)	Tropical / Concrete	Similar		Similar	Similar	
Quality of Construction	Q-4	Q-3		Q-3	Q-3	
Actual Age	Over 20 years	25 years		34 years	31 years	
Physical Condition	C-4	C-3	(\$175,000)	C-3	(\$125,000)	
Above Grade	Total: Bdrrms : Baths :	Total: Bdrrms: Baths:		Total: Bdrrms: Baths:		
Room Count	9 - 4 - 2.5	8 - 3 - 2.5		9 - 4 - 2.5	9 - 4 - 2.5	
Gross Living Area	2,012	2,159		2,055	1,909	
Basement & Rooms						
Below Grade	None	None		None	None	
Functional Utility	Adequate	Similar		Similar	Similar	
Heating/Cooling	WH/Split Units	Similar		Similar	Similar	
Energy Efficient Items	None disclosed	Similar		Similar	Similar	
Garage/Carport	2-car garage	2-car garage		2-car garage	2-car garage	
Additional features & Site Improvements	Concrete Terrace; Clo Stg Porch & Fence	Concrete Terrace; Clo Stg; Swp Porch & Fence	(\$25,000)	Concrete Terrace; Clo Stg Porch & Fence	Terrace;Balcony;Clo Stg Porch & Fence	
Indicated Value of Subject		Net Adj. (%)	44.8%	Net Adj. (%)	34.4%	
		Gross Adj. (%)	44.8%	Gross Adj. (%)	34.4%	
			\$248,600		\$245,900	
		Produced range	\$239,800	\$248,600		
		Concluded at		\$246,000		

The comparative analysis required adjustments for differences in site area, physical condition, and additional features/site improvements between the subject and the comparable sales. The rationale of the adjustments applied to the comparable dataset and presented in the previous grid are explained as follows:

**Site Area Difference** – The subject and comparable sales 1, 2 and 3 sites were valued at \$250 per square meter, respectively, while comparable 4 was valued at \$225 per square meter. The unitary value of the sites was estimated based on the location and site area of each transaction.

**Physical condition** – The subject physical condition was presumed at same reported condition with an overall rating of C-4 and with required repairs reported at \$40,000 as of November 201. This repair cost estimate was adjusted to \$43,500 to reflect inflation and changes in market conditions based on cost multipliers extracted from Marshall & Swift. Comparable sales 1 and 2 were rated at a superior C-3 condition while comparable sales 3 and 4 were rated at similar C-4 condition. The impact from this difference was estimated at minus \$43,500 for comparable sales 3 and 4 recognizing only the reported repairs given the sales price already reflect the buyers' risk from acquiring a dated/less functional property with less appeal to market and in need of remodeling. On the other hand, the superior condition and overall appeal to market of comparable sales 1 and 2 results from their upgraded/remodeled conditions which requires a greater adjustment in this respect. Comparable sale 1 is rated C-3 same as comparable 2; yet, the former is superior as it was completely remodeled with elements of construction, design and quality superior to comparable sale 2. For this reason, the condition adjustment for this comparable is greater than the adjustment to comparable sale 2, even though both were given the same C-3 rating. The adjustments to comparable sales 1 and 2 were based on paired data analyses with comparable sales 3 and 4.

**Gross living Area** – Differences in GLA were not adjusted given the properties reflect similar functional layouts and the differences in size are mostly attributed to measurement variations commonly reflected between real estate professionals.

**Additional Features/Site Improvements** – The subject and comparable sales included a similar range of such improvements except for comparable sale 1 which included a swimming pool and greater finished paved areas. The impact from this variable was adjusted based on market reaction to depreciated cost estimates.

#### Market Value Conclusion and Exposure Period

The analysis produced a range in adjusted market value indications from \$239,800 to \$248,600, with average, median and mid-point figures of \$244,600, \$245,000, and \$244,200, respectively.

Max	\$248,600
Median	\$245,000
Average	\$244,600
Mid-Point	\$244,200
Min	\$239,800

The market indicator which reflected the least adjustments is comparable sale 3 with an adjusted indication of \$244,100. However, this is one of the oldest transactions; hence, considering current market conditions, a mid-point indication between comparable sales 1 and 3 will be concluded. Based on this, the market value of the subject is concluded at:

◆ **Market Value Conclusion – Fee Simple Estate** **\$246,000**  
 As of July 28, 2021 Two Hundred Forty Six Thousand Dollars

Based on the analysis developed herein, it is my opinion that the subject could have sold during an exposure time in the range of five (5) to ten (10) months.

## GENERAL ASSUMPTIONS

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This appraisal report has been prepared with the following general assumptions:

1. No responsibility is assumed for matters legal in character or nature. No opinion is rendered as to title, which is assumed to be good and marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, having responsible ownership and competent management. Unless otherwise stated in the report, all taxes are assumed to be current.
2. The information furnished by others in the development of this appraisal is believed to be reliable, true and correct. However, no warranty is given for its accuracy.
3. The signing appraiser has examined the property described herein exclusively for the purposes of identification and description of the real property. The objective of the data collection is to develop an opinion of the highest and best use of the subject property and make meaningful comparisons in the valuation of the property. The observations and reporting of the subject improvements, or absence thereof, are for the appraisal process and valuation purposes only, and should not be considered as a warranty of any component of the property. This appraisal assumes (unless otherwise specifically stated) that any subject improvements are structurally sound, and that all components are in working condition. Furthermore, it is assumed that there are no hidden or non-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover any of these conditions.
4. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
5. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless any nonconformity has been stated, defined and considered in the appraisal report.
6. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been, or can be obtained, or renewed for any use on which the value estimate contained in this appraisal is based unless otherwise noted in the appraisal report.
7. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described, and that there is no encroachment or trespass unless noted in the appraisal report.
8. The availability of capacity and/or connection rights to any or all public utilities has not been determined by the appraiser. The value estimate reported herein is contingent upon, and limited to, said capacity and right of connection unless otherwise noted in the appraisal report.

## GENERAL LIMITING CONDITIONS

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1. The appraiser will not be required to give testimony or appear in court because of having made an appraisal of the property in question, unless specific arrangements to do so have been made in advance, or as otherwise required by law.
2. The appraiser will not disclose the contents of this appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and/or applicable federal, state or local laws.
3. The client is the party or parties who engage an appraiser (by employment contract) in a specific assignment. A party receiving a copy of this report from the client does not, as a consequence, become a party to the appraiser-client relationship. Any person who receives a copy of this appraisal report as a consequence of disclosure requirements that apply to an appraiser's client, does not become an intended user of this report unless the client specifically identified them at the time of the assignment.
4. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report, or copy thereof, shall be conveyed to the public through advertising, public relations, news, sales or any other media without the written consent and approval of the appraiser, nor shall their identity be identified without their individual prior written consent.
5. The appraiser has noted in this appraisal report any significant adverse conditions (such as needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) discovered during the data collection process in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions, and makes no guarantees or warranties express or implied. The appraiser will not be responsible for any such conditions that do exist, or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser is not aware of the presence of archaeological deposits and/or artifacts within the subject or in adjacent properties. The physical inspection of the property did not reveal any evidence of such deposits and/or artifacts. However, the appraiser is not qualified to detect archeological deposits and/or artifacts and assumes no responsibility in this respect. The value reported herein and the estimated construction and/or marketing time for the property are predicated on the assumption that the subject does not have any such archeological artifacts.
7. The appraiser reserves the right to change the reported conclusions if additional information comes forward as to condition or other factors which could affect the analysis and conclusions presented herein.
8. Any cause of action resulting between the appraiser and the client in conjunction with this appraisal, either directly or indirectly, will be limited in damages to the amount of the fee received for the assignment. Furthermore, it is agreed that the client will indemnify the appraiser, Mr. Pedro C. Navarro Acevedo, for any damages, costs, expenses, and attorney's fees resulting from any cause of action by any interested party, other than the client, concerning this appraisal.

## CERTIFICATION OF THE APPRAISER

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I certify that, to the best of my knowledge and belief:

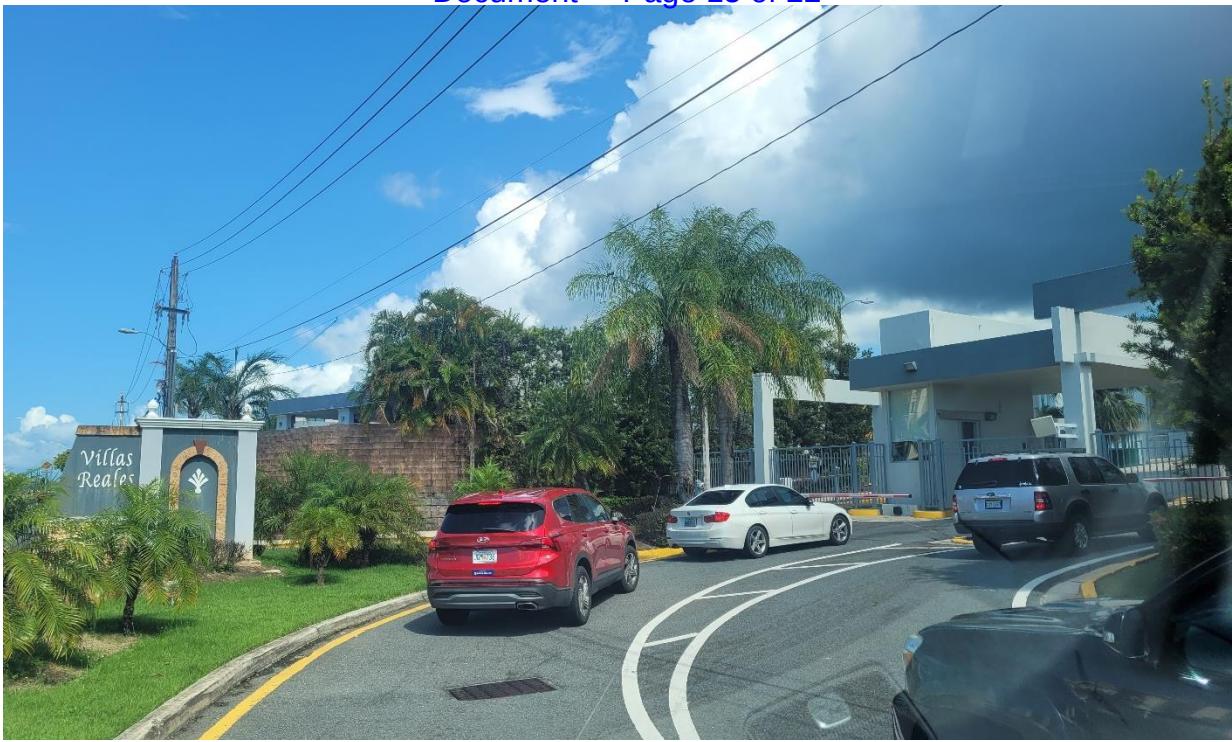
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have not performed any services as an appraiser, or in any other character, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant professional appraisal assistance in the preparation of this report.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I, **Pedro C. Navarro Acevedo**, have completed the requirements under the continuing education program of the Appraisal Institute.



Pedro C. Navarro Acevedo, MAI  
Certified General Real Estate Appraiser  
Certificate No. 270 CG  
PR License No. 1151 EPA

Signed on this August 4, 2021

ADDENDA

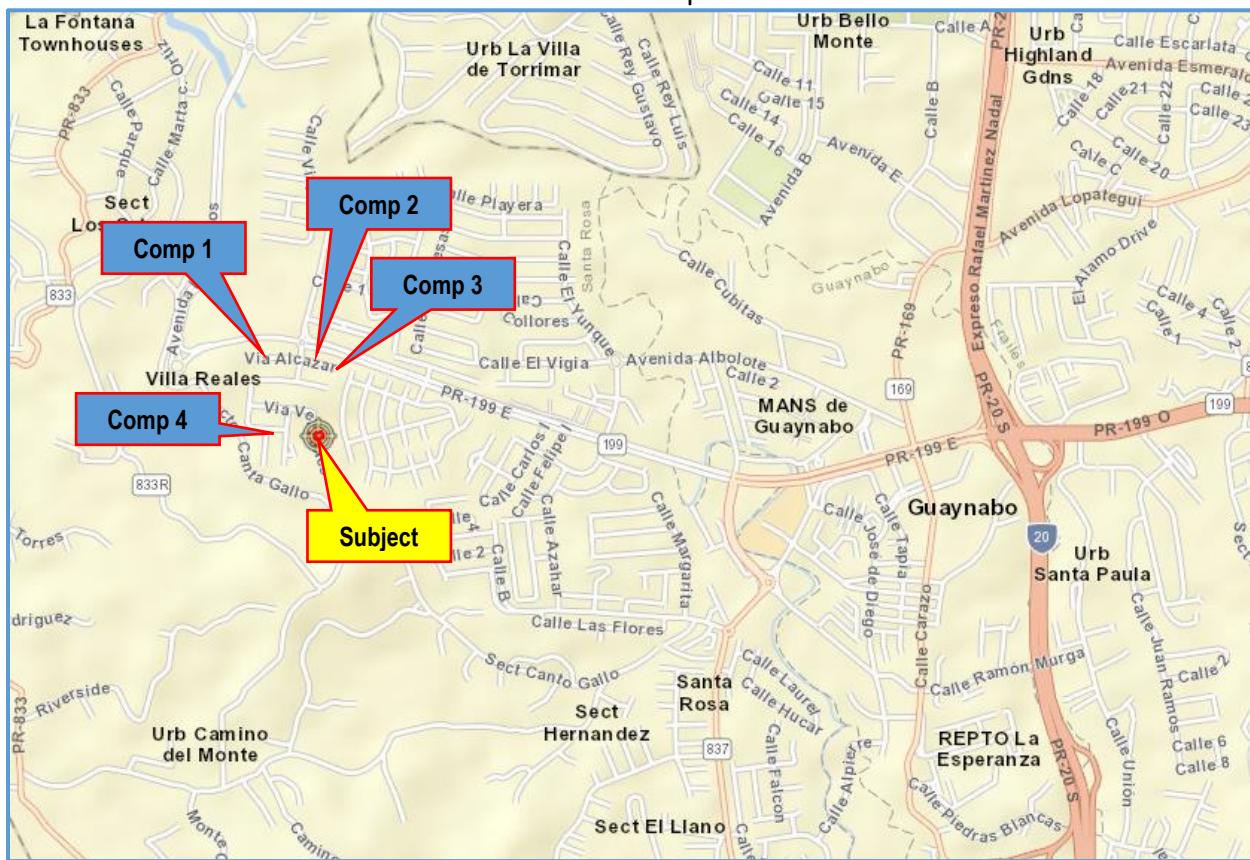


Development Gate Entrance

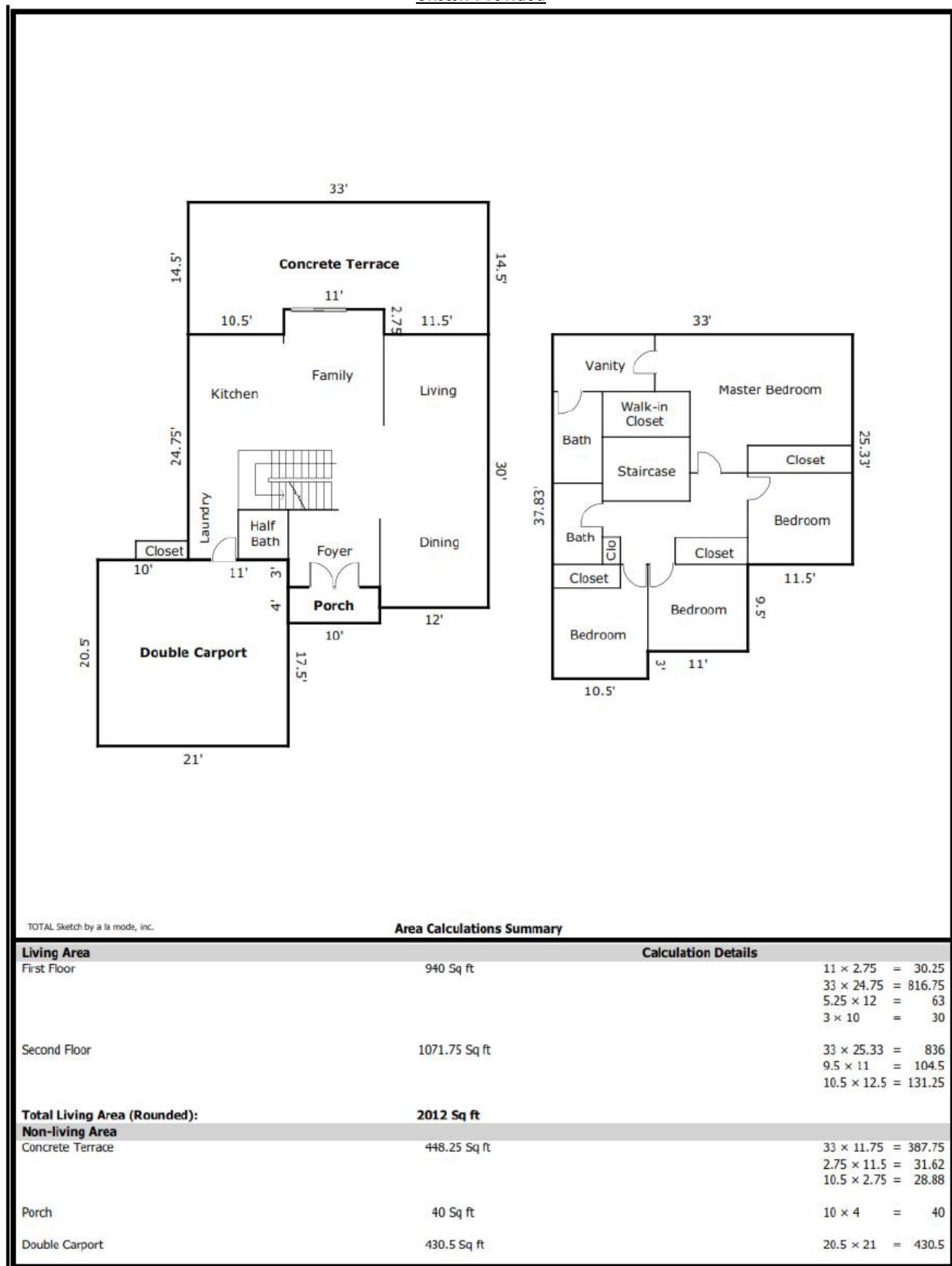


Street Scene (PR-199)

Location Map



Sketch Provided



## **DEFINITIONS**

### **Market Value<sup>1</sup>**

"The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

### **"As is" Market Value<sup>2</sup>**

"The term "as is" market value is defined as: the estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date."

### **Real Estate<sup>1</sup>**

"An identified parcel or tract of land, including improvements, if any."

### **Real Property<sup>1</sup>**

"An interest or interests in real estate. The interests, benefits, and rights inherent in the ownership of real estate."

### **Fee Simple Estate<sup>1</sup>**

"Absolute ownership, unencumbered by any other interest or estate, subject only to the limitations by governmental powers of taxation, eminent domain, police power, and escheat."

### **Exposure Time<sup>3</sup>**

"Estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market."

### **Intended Use<sup>3</sup>**

"The use or uses of an appraiser's reported appraisal or appraisal review assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment."

### **Intended User<sup>3</sup>**

"The client and any other party as identified, by name or type, as users of the appraisal or appraisal review report by the appraiser on the basis of communication with the client at the time of the assignment."

### **Client<sup>3</sup>**

"The party or parties who engage, by employment or contract, an appraiser in a specific assignment. The client may be an individual, group, or entity, and may engage and communicate with appraiser directly or through an agent."

### **Confidential Information<sup>4</sup>**

"Information that is either: 1) identified by the client as confidential when providing it to an appraiser and that is not available from any other source, or 2) classified as confidential or private by applicable law or regulation."

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<sup>1</sup> *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015).

<sup>2</sup> Interagency Appraisal and Evaluation Guidelines, OCC-2010-2012, OP-1338, DOT 2010-0018, RIN 3133-AD38.

<sup>3</sup> *USPAP 2020-2021 Edition*

## Qualifications of Appraiser

## PEDRO C. NAVARRO ACEVEDO, MAI

### *Professional Qualifications*

Phone: 787.368.3182 • Email: pcnaappraisal@gmail.com

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#### LICENSE

Puerto Rico Licensed Professional Real Estate Appraiser, **EPA License No. 1151**

Puerto Rico Certified General Real Estate Appraiser, **Certificate No. 270**

Federal Government Work Qualified, **DUNS No. 080279256**

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#### PROFESSIONAL AFFILIATIONS

MAI designated member (since 2010) – Appraisal Institute



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#### OFFICES HELD

Appraisal Institute Puerto Rico and Caribbean Chapter –  
Board of Directors 2012- 2014

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#### EDUCATION

**Bachelor in Business Administration 2004**

METROPOLITAN UNIVERSITY OF PUERTO RICO

SAN JUAN, PUERTO RICO

MAJOR: INFORMATION SYSTEMS

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#### QUALIFIED APPRAISER

Banco Popular de Puerto Rico

First Bank Puerto Rico

BANESCO USA

US Department of Housing and Urban Development - FHA Approved Appraiser

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#### PROFESSIONAL EXPERIENCE

**Pedro C. Navarro Acevedo, MAI** December 2010 – Present  
Certified General Real Estate Appraiser

**Pedro C. Navarro Acevedo, MAI** October 2017 – Present  
Real and Personal Property  
Damage Assessment Inspector

**Independent Real Estate Appraiser** October 2009 – March 31, 2019  
In association with  
McCloskey, Mulet & Bonnin Appraisers P.S.C.

**Independent Real Estate Appraiser** September 2005 – August 2009  
In association with  
ODV Appraisal Group P.S.C.

**Assistant Real Estate Appraiser** May 1998 – September 2005  
In association with  
ODV Appraisal Group P.S.C.

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### APPRAISAL WORK COMPETENCY (PUERTO RICO AND UNITED STATES VIRGIN ISLANDS)

Valuation and consulting services undertaken include a wide range of property types, including office, retail, shopping centers, warehouse and manufacturing industrial facilities, housing projects, land for development, agricultural land, as well as specialized purpose properties (seaport terminals, assisted living projects, automobile dealerships, cemetries, hospitals, outpatient medical and surgery facilities, fuel tank farms, etc.).

The works performed include a variety of purposes including financial/mortgage, sale/purchase, investment consulting, litigation support, legal depositions, financial feasibility studies, insurance purposes, appraisal review, etc.

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### DAMAGE ASSESSMENT WORK COMPETENCY (Puerto Rico)

Damage assessment services undertaken include a variety of property types, including residential dwellings, condominiums, apartments, subdivisions (builders' risk), as well as commercial establishments (i.e. retail stores, restaurants, offices, etc.), automobile dealerships, branding signage, churches, chapels, and personal property (i.e. furniture, appliances, carpets, etc.). The works performed include a variety of purposes including insurance company's assessments for damage compensation, as well as property owner assessments for damage claims.

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### APPRAISAL NOTABLE ASSIGNMENTS

My professional practice incorporates the delivery of a full compliance and high-quality product within established timeframes which results in a timely resolution to fulfill the needs of the client. The following list of properties present a sample of such works.

#### SPECIAL-PURPOSE PROPERTIES

Seaport, Pan American Cruise Ship Terminal, Isla Grande, San Juan, Puerto Rico

Seaport, Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico

Fuel Tank Farm, Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico

Ceiba del Mar Dairy-Farm Portfolio, Hatillo, Puerto Rico

Flagship Ford Escorial Dealership, PR-3, Carolina, Puerto Rico

BMW Service Center, Guaynabo, Puerto Rico

Feasibility Study – MC Senior Care Assisted Living Facility, Dorado, Puerto Rico

Feasibility Study - Paradisus Assisted Living Facility, Hatillo, Puerto Rico

UPR Comprehensive Cancer Center Hospital, San Juan, Puerto Rico <sup>4</sup>

HIMA San Pablo Medical Ambulatory Center, Caguas, Puerto Rico <sup>4</sup>

HIMA San Pablo Cupey Hospital & Skilled Nursing Facility, San Juan, Puerto Rico <sup>4</sup>

EVERTEC / Banco Popular Cupey Center, San Juan, Puerto Rico <sup>4</sup>

Central Memorial Group Cemetery Portfolio, Puerto Rico <sup>4</sup>

Bella International Group Automobile Dealership Portfolio, Puerto Rico <sup>4</sup>

#### INDUSTRIAL

SSW Realty (Structural Steel Works) Manufacturing Facility, Luchetti Industrial, Bayamón, Puerto Rico

Cruce Davila Business Park (former Pfizer Pharmaceutical), Barceloneta, Puerto Rico

Cesar Castillo Warehouse/Distribution Center, Guaynabo, Puerto Rico

Cesar Castillo Warehouse/Distribution Center, San Juan, PR

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<sup>4</sup> Appraisal work performed in association with McCloskey, Mulet & Bonnin Appraisers P.S.C.

## RESIDENTIAL

Mansiones Residential Subdivision, Cabo Rojo, Puerto Rico<sup>5</sup>  
Mansión del Lago Residential Subdivision, Ponce, Puerto Rico<sup>5</sup>  
Santa María Residential Condominium, San Juan, Puerto Rico<sup>5</sup>  
El Almendro Residential Condominium, Punta Las Marías, San Juan, Puerto Rico<sup>5</sup>  
McCormack Baron Salazar - Puerta de Tierra Low-Income Housing Project, San Juan, Puerto Rico<sup>5</sup>  
McCormack Baron Salazar - Las Gladiolas Low-Income Housing Project, San Juan, Puerto Rico<sup>5</sup>  
Esmeralda del Sur Low-Income Housing Project, Patillas, Puerto Rico<sup>5</sup>

## COMERCIAL

Ponce Mall, Ponce, Puerto Rico  
Lares Mall, Lares, Puerto Rico  
Atrium Plaza Office Building, San Juan, Puerto Rico  
Gallery Inn Hotel, Old San Juan, Puerto Rico  
Plaza del Mar Shopping Center, Hatillo, Puerto Rico  
Lago Alto Plaza Shopping Center, Trujillo Alto, Puerto Rico  
Winston Churchill Professional Office Building, San Juan, Puerto Rico  
Prudencio Rivera Office Building, San Juan, Puerto Rico  
(P.R. Labor and Human Resources Department HQ)  
La Parrilla Argentina Proposed Store (Leasehold Interest), Bayamón, Puerto Rico

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## DAMAGE ASSESSMENT NOTABLE ASSIGNMENTS

Damage assessment works have included Motorambar (NISSAN & Kia) dealership portfolio branding, Barranquitas Memorial Funeral Home, Pisos de Caparra Residential Condominium, Casa Jeanette Beach Front Villa; plus, the parishes and chapels of the Catholic Church Fajardo-Humacao Diocese and Caguas Diocese which included several historic buildings, and many of the church buildings of the Puerto Rico Baptist Church; as well as many residential dwellings and small commercial, office and service facilities.

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<sup>5</sup> Appraisal work performed in association with McCloskey, Mulet & Bonnin Appraisers P.S.C.